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Letter
of
Rich. W. Young.
1842.





Class 584b

Book 745

LETTER

OF

RICHARD M. YOUNG,

Declining his nomination as a candidate for Governor, made by the Democratic citizens of Morgan county, Illinois, on Saturday, the 29th of May, 1842, at the Court-house, in Jacksonville, and addressed to the Committee appointed to notify him of that nomination.

—
WASHINGTON CITY, June 30, 1842.

GENTLEMEN: Yours of May 29, advising me of my having been nominated for the office of Governor, at a meeting of the democratic citizens of Morgan county, held at the court-house in Jacksonville, on Saturday, the 28th of the same month, came to hand some days ago, and has received due consideration. In common with my democratic friends, I deeply regret the recent melancholy event which has created the necessity for this new expression of the public sentiment. I see from the newspapers which I receive, that a mutual spirit of concession has prevailed, and that, by common consent, Judge FORD is to be our candidate. Without intending to institute a comparison between him and others who have been named for that responsible station, myself included among the rest, I will only say, that in my judgment a better selection, under existing circumstances, could not probably have been made. I have known Judge FORD for many years, and during one period in our lives, our official and neighborly intercourse was almost daily; and I will simply add, that I have always considered him a man of talents and integrity. Having, therefore, a candidate in every way qualified to perform the high duties which will devolve upon him in the event of his election, already in the field, under the favorable circumstances I have mentioned, I take this occasion to tender to you individually, and through you to my democratic fellow-citizens of Morgan county, my heart-felt acknowledgments for their kind partiality in selecting me for their candidate, and beg leave most respectfully to decline the nomination.

Perhaps I should stop here. But as our country is at this time laboring under an extraordinary degree of embarrassment, and seems to be verging with rapid strides towards a still more ruinous condition of things, in all our public and private relations, I trust that I will be excused, if I should embrace the present opportunity as an auspicious one of expressing through you to my fellow-citizens of Illinois some of the causes which, in my opinion, have brought us to this condition, and the great necessity of a thorough reform in all the departments of life, if we would be a happy and prosperous people. This task I undertake with much diffidence, and with a conscious

distrust of my ability to perform such an undertaking, even satisfactorily to myself. I see difficulties surrounding me on every side—obstacles presented at every step; for I know full well, from experience, that such reforms are not the work of a day. Preconceived opinions—habits long indulged in—are not often relinquished without an effort, even where the intentions are favorable to such changes; but when prejudices, in addition to these considerations, are likewise to be overcome, it seems indeed almost a hopeless task.

CONSTRUCTION OF THE CONSTITUTION—LANDMARKS OF PARTY.

Although the elder Adams, Alexander Hamilton, and all that class of politicians, were unquestionably patriots at the commencement and during the continuance of the revolutionary war, and performed much service for their country, yet it was very soon discovered, when that great contest for liberty was ended, that they were for substituting, in place of the British monarchy, a much stronger form of government than suited the genius of the times. The American people had too recently thrown off the shackles of monarchy and arbitrary rule, to submit quietly to a new yoke, to be imposed by their own countrymen. Mr. Hamilton, for instance, was, during the convention, in favor of a President and Senate for life. He distrusted the capacity of the people for self-government, and believed in the necessity of a strong executive power to control and hold in check the imprudence and turbulence of the people. The British form of government was his model. He was also for abstracting from the State governments as much of their power as possible, and for centralizing it at the seat of the Federal Government. "I despair," said he, "that any republican form of government can remove the difficulties that Greece and Rome encountered. I have well considered the subject, and am well convinced that no amendment of the articles of confederation can answer the purposes of a good government, so long as the State governments do in any shape exist." The party in favor of these measures were called Federalists; the class of politicians who sided with Mr. Jefferson resisted all such encroachments, and contended for a liberal form of government. Hence the struggle for the ascendancy, which commenced with great bitterness between the parties, shortly after the adoption of the constitution of the United States; the one for power, the other for liberal principles. The first were called Federalists, the latter Democrats—who at that day were called by their federal opponents, jacobins and agrarians, as they are now called locofocos and destructives, by way of ridicule, by the Whigs. Alexander Hamilton became the acknowledged leader of the Federalists, and Thomas Jefferson, the great author of the declaration of our independence, the leader of the Democrats.

Notwithstanding a majority in favor of liberal principles succeeded in the convention, the Federalists immediately turned round and advocated the constitution, with the intention, as has since appeared, of obtaining their ends by forced constructions of that instrument, which they had failed to procure by fair and open enactments. Hence we perceive, from the history of these times, the reluctance with which the constitution was adopted by the people in their State conventions. They feared some deception, and in almost all of their articles of ratification, we find clauses of protests, explanations, proposed amendments, &c. But that provision which most tended to remove their doubts and fears, was article 10th in the amendments to the constitution, in these words: "The powers not delegated to the United States, nor pro-

hibited by it to the States, are reserved to the States respectively, or to the people."

The Federalists got possession of the first, and several succeeding Congresses, and very early commenced the work of arbitrary and forced constructions of the constitution. The first encroachment of magnitude was in the establishment of a Bank of the United States, notwithstanding the power to create incorporations had been expressly refused in the convention. But all power was now to be assumed by implication. The Federalists, with Hamilton at their head, were its advocates, while the Democrats, with but few exceptions, took ground against it, as an unauthorized monopoly; and Mr. Niles says, "that it afterwards became one of the landmarks of party."

The next encroachment upon the rights of the people was in the enactment of the celebrated "Alien and Sedition Laws," during the administration of the elder Adams. Under the first, the President had the extraordinary power conferred upon him by Congress, of "ordering dangerous or suspected persons to be imprisoned, at his discretion, or to depart from the territory of the United States," upon his own mere motion, and without the intervention of judicial authority, except in case of refusal to enforce his order. A trial by jury, which ought not to have been denied to the most abandoned malefactor, was not provided for—the *suspicion* of the President, according to the law, being deemed sufficient. The persons most to be affected by the operation of this law, were the emigrants from Ireland; who, being generally democrats in principle, in consequence of the oppressions in their own country, were to be proscribed. Is there not some reason to fear, that the same feeling prevails to a considerable extent up to the present day?

Under the sedition law, as it was called, the most respectable citizens of the United States were fined and imprisoned for speaking disrespectfully of the President. Matthew Lyon, then a citizen of Vermont, was fined one thousand dollars and imprisoned four months, for saying, that, "as to the executive," meaning President Adams, "when I shall see the efforts of that power bent on the promotion of the comfort and happiness and the accommodation of the people, that executive shall have my zealous and uniform support; but whenever I shall, on the part of that executive, see every consideration of the public welfare swallowed up in a continual grasp for power, and an unbounded thirst for ridiculous pomp, foolish adulation, and selfish avarice, I shall not be their humble advocate," &c.; and was soon afterwards elected out of jail to Congress by the people. Mr. Randolph said, in a speech delivered in Congress some time ago, that he also well recollected when Mr. Professor Cooper was escorted to jail for a similar offence. And courts and juries were found in that day to execute such laws.

These high-toned and oppressive federal measures gave rise to the celebrated Kentucky Resolutions of 1798, (which, it is said, were penned by Mr. Jefferson,) in which the distinguishing landmarks of the republican party were set forth, and vindicated with signal ability. The people resisted, and successfully resisted, these tyrannical laws, which were declared to be unconstitutional; and within a few years past, the fine of one thousand dollars which was taken from Matthew Lyon has been restored to his family, by a vote of Congress.

These arbitrary and oppressive measures, and the total disregard of the restrictions imposed by the constitution, and the reserved rights of the people, brought Mr. Jefferson into power, at the end of the first term of Mr. Adams's administration; and so great was the indignation of the people against

him at that time, says Mr. Randolph, that at the close of his term, "he left the seat of the Federal Government in the night, that the light of heaven might not witness his retreat."

But the power they had lost by the vote of the people was not to be relinquished without a struggle—a death struggle, which, for a short time, seemed to threaten the very overthrow of the Government. The Federalists, being defeated in their attempt to re-elect Mr. Adams, and still holding nearly an equal vote in the House of Representatives, turned round and endeavored, by a powerful and well concerted effort, to force Aaron Burr, of New York, into the presidential chair, over the head of Mr. Jefferson, who had been elected by the people. Mr. Burr had been run upon the same ticket with Mr. Jefferson, by the democratic party, for the office of Vice President, and was during the canvass, and had been for a long time before, recognized as one of the most talented and influential of the party; and to his untiring perseverance, the success of the democratic ticket was in a great degree attributed. But he yielded to the gilded bait held out to him by the Federalists, and his ruin was the consequence. So equally were the parties divided in Congress in this contest, that the balloting was continued for several successive days with equal success, when at last, and fortunately for the country, Mr. Jefferson was declared to be elected by the casting vote of a single State. In this case Mr. Burr had not been voted for, for the office of President, by the people, and yet the Federalists came within one vote of perpetrating this enormous outrage upon their rights under the constitution. Mr. Burr was, in a few years after tried for high treason, and upon being discharged retired from the country for a time, and afterwards returned in his old age and died in obscurity and disgrace. The Federalists afterwards sought the occasion of the "Embargo law," which proved to be a very unpopular measure in New England, of striking another blow at the Government, which was still under the guidance of Mr. Jefferson. John Quincy Adams, who is admitted to have been familiar with their designs, charged them openly with treasonable purposes. "It was in those letters of 1803 and 1809," says Mr. Adams, "that I mentioned the design of certain leaders of the federal party, and the establishment of a northern confederacy, &c. This plan was so far matured, that the proposal had been made to an individual at the proper time to be placed at the head of the military movement, which it was foreseen would be necessary for carrying it into execution. The intervention of a kind Providence averted the most deplorable of catastrophes, and turning over to the receptacle of things lost upon earth, the adjourned convention from Hartford to Boston, extinguished, by the mercy of Heaven, may it be forever! the projected New England confederacy." This is the testimony of Mr. Adams. The repeal of the embargo alone, perhaps, frustrated their designs, and saved the country from dismemberment.

The eccentric but highly gifted John Randolph of Roanoke, said in his great speech on retrenchment and reform, just preceding the first election of General Jackson, that during the presidency of the elder Adams, no expedient was left untried to put down the Republicans; that the pen and the pencil were employed, and songs were made and sung to bring them into ridicule; that the military, who were also attached to the federal interest, went so far as to play the Rogue's March under the windows of the houses in which Mr. Gallatin, and Mr. Nicholas, and other members of Congress lodged; that nicknames were also resorted to. Mr. Nicholas, who had lost an eye, was called Polyphemus; and old Mr. Macon, of North Carolina, of whom it was

said, "that he had not changed his politics or the cut of his coat for forty years," was called Monsieur Macon, the better to denote him a Frenchman, and of consequence a jacobin, a radical, and a destructive. That old General Sumpter, of South Carolina, a distinguished officer of the revolution, had his hat pulled off at the theatre, and his hands forcibly made to clap, by the myrmidons of the Administration, by way of incense to the idol of that day, when President Adams entered, and the tune of "Hail Columbia" was struck up by the band.

We have seen some of these things again resorted to in our times, in the recent election of General Harrison. Who can forget the display that was made of the "cider barrels," and the "coon skins," the songs, and the midnight revelry, and the "log cabins" of our Whig opponents. Are not the sober reflecting part of the people, who permitted themselves at the time to be carried away by the prevailing excitement, ashamed of having been engaged in such exhibitions?

After Mr. Jefferson served out his eight years, the Government passed through the successive Republican administrations of Mr. Madison and Mr. Monroe; each one serving through his two terms of four years each. But an interruption was again experienced, and the will of the people defeated in the election of the younger Adams, in 1825, by the House of Representatives. His administration, like his father's, was brought to a close at the end of his first term, by an overwhelming vote of the people, in the election of General Jackson. Democracy was now once more in the ascendant; General Jackson was re-elected, and served out his two terms; when he was succeeded by Mr. Van Buren, who was defeated at the end of his first term by General Harrison, under the circumstances I have mentioned.

What has followed since is now undergoing the test of that purifying scrutiny of public opinion which seldom fails, in the end, to judge correctly; as the great mass of the people, unlike interested politicians, are actuated alone by the desire to promote their country's good. This is a brief history of the distinguishing landmarks which have separated the two great political parties in this country, through a succession of administrations, commencing with that of the elder Adams, down to the present day. During this period in our past history, the Federalists, having failed to accomplish their purposes under their original name, which became very unpopular with the people, changed it first to that of "National Republicans," and subsequently to that of "Whigs;" and in some instances very recently, since their numerous defeats in many of the States, to that of "Democratic Whigs." The Democrats, on the contrary, still retain their old name, which was assumed in the days of Mr. Jefferson. There are doubtless many good Republicans to be met with in the Whig ranks; but taking the party as a whole, their distinguishing principles continue to be the same.

UNITED STATES BANK—ITS UNCONSTITUTIONALITY—ITS EFFECTS, AND THAT OF A PAPER CURRENCY GENERALLY, UPON TRADE, AND THE MORALS AND HAPPINESS OF THE PEOPLE.

The first bank of which we read in history, was the old Bank of Amsterdam, in the Netherlands, which was merely an office of *deposit* and *transfer*, and not a bank of *issue* and *discount*. Of the great amount of treasure possessed by it, there have been various and very extravagant conjectures. By some it was estimated at four hundred millions of gilders, and by others as high as from eight hundred to nine hundred millions; the first sum being one

hundred millions of our dollars, and the second from three hundred and twenty to three hundred and sixty millions of dollars. But the average sum generally agreed upon by writers was from one hundred and forty-five to one hundred and seventy-four millions of dollars—an enormous sum to be collected in one place, consisting, as it did, exclusively of the precious metals. When the new stadthouse was erected, the bank office was removed into a large vault under that magnificent structure, “where” Sir William Temple, who was at that time an ambassador from the Court of England to the Hague, says, in his observations on the United Provinces, “is the greatest treasure, either real or imaginary, that is known any where in the world; and whoever is carried to see this bank, shall never fail to find the appearance of a mighty real treasure, in bars of gold and silver, plate, and infinite bags of metals, which are supposed to be gold and silver, and may be so for aught I know. But as the burgomasters only have the inspection of the bank, it is impossible to make any calculation or guess what proportion the real treasure may hold to the credit of it.” But it was held by the writers of the day in which its solvency was unquestioned, that there was on deposit at all times, either in cash, or bullion, or spare jewels, an amount equal to the whole credits of the bank.

It was universally admitted that this bank was conducted with great fidelity by its successive directors; and so particular were its officers, to all appearance, that “whenever a deposit was withdrawn from the bank, that it was always delivered out in the same bag in which it was originally deposited.” And yet it appears from history, that millions of this money, which was supposed to be safely lodged in the vaults, had been lent to the East India company, and to the provinces of Holland and West Friesland. This fact was long kept a secret, and was not discovered until the French army entered Amsterdam, in 1794; when the bank suddenly closed its doors, the vaults were ascertained to be empty, and universal distress was brought upon the country, from which it did not entirely recover for many years.

Such is the first great bank which for a long time was regarded as one of the wonders of the world. But in order to show the fallacy of the banking system, and the evil effects of a paper currency upon the industry and labor of the producing classes, I will draw some striking illustrations from the history of our own country. And here I will premise, that money is intended to perform *two* important functions; the first, is that of a *standard of value*, the second, is that of a *circulating medium*. Paper money, you will at once perceive, falls entirely short of the first of these requisites, as it contains within itself no intrinsic value, and can never therefore be regarded with propriety as a *standard of value*, which is wanted to regulate the exchange of commodities; a metallic currency can alone furnish a standard free from an ever-varying fluctuation. I am fully aware that banks are at this day so interwoven with all the business affairs of the country, that we are sometimes too apt to believe that the evil is without a remedy; and often almost despair of ever seeing it corrected. There are no errors of opinion so difficult of correction as those which relate to the currency. The time has at length arrived, however, that will make many *reason*, who, I fear, will pay dear, very dear, for their experience.

At the commencement of the revolutionary war, the colonies were without money to carry it on, and had, from necessity, to resort to the expedient of issuing paper money, known at that day, and up to the present time, by the name of “continental money.” According to an estimate by the Re-

gister of the Treasury in the year 1790, the issues of continental money, commencing in 1775 and running down through the intermediate years to 1781, amounted to about three hundred and sixty millions of dollars. The first emission was dated May 10, 1775; but the notes were not actually in circulation till the August following. According to the statement of Mr. Jefferson, this money passed at first at its nominal value. Every effort was made by the old continental Congress, and arbitrary means often resorted to, to force its circulation and sustain its credit. Until the issues exceeded nine millions, Mr. Jefferson says, it was taken currently at par; but that the depreciation afterwards was very rapid and great. On the 31st of May, 1781, it ceased to circulate as money; at which time it had run down, at Philadelphia, to five hundred dollars for one; and was shortly afterwards bought up on speculation as low as one thousand dollars for one. It was never redeemed by the Government, and the loss fell heavily upon the country. A respectable writer of that day, who was himself an eye witness and a participator in the sufferings which were caused by its great depreciation, says: "We have suffered more from this cause, than from any other calamity; it has pervaded and corrupted the choicest interests of our country; and done more injustice than the arms and artifices of our enemies. Frauds, cheats, and gross dishonesty have been introduced; and a thousand idle ways of living attempted, in the room of honest industry, economy, and diligence, which have heretofore enriched and blessed our country." This account of it was written in 1780.

The first bank established in the United States was the "Bank of North America," in the year 1781. Its location was in Philadelphia. The plan was conceived by Mr. Robert Morris, and submitted to Congress in the month of May of that year; and on the 26th of the same month it was approved by that body. Up to the month of October following, only seventy thousand dollars of the stock had been subscribed for. About this time a Spanish ship arrived at Boston with a remittance of about four hundred and seventy thousand dollars in specie. This was brought to Philadelphia and deposited in the vaults of the bank. In November, 1781, the directors were elected, and in January, 1782, the bank commenced operations. Mr. Morris then subscribed for two hundred and fifty four thousand dollars of the stock for the United States, by which they were constituted much the largest stockholder; respecting which subscription Mr. Gouverneur Morris remarked, "that the sum subscribed by the Government was paid in with one hand, and borrowed with the other; leaving the bank with only seventy thousand dollars for its proper operations." The experience of the evils resulting from the depreciation of the continental paper being fresh in the minds of the people, much difficulty was encountered at first in giving currency to the notes. The writer remarks, that in order to remove this prejudice, "the gentlemen concerned in the bank resorted to the practice of requesting the people from the country, and the laboring men about town, to go to the bank and get silver for their notes. When they went, they found a display of silver on the counter, and men employed in raising boxes, *said* to contain silver, from the cellar into the banking room, or lowering them from the banking room into the cellar." By contrivances like these the bank soon obtained the reputation of possessing immense wealth; but its emptiness was very near being discovered on one occasion, when one of the co-partners withdrew a deposit of only five thousand dollars; at which time, it is said, the whole stock of specie on hand did not probably exceed twenty thousand dollars. By the year 1785 the

effects of its operations began to be apparent in the business of the community—sometimes a great plenty of money, followed by a great scarcity—ruin to the many, and riches to the few. The people petitioned for a repeal of its charter, and the repeal took place by the legislature of Pennsylvania, by which it was originally chartered, on the 13th September, 1785. Notwithstanding, it claimed the right, and afterwards continued its business, but on a more limited scale, under the act of Congress referred to.

I come now to the first Bank of the United States. It is said that the celebrated William Pitt exclaimed, when he heard our propensity for banking and credit: "Let the Americans adopt their funding system [which means National debt] and go into their banking institutions, and their boasted independence will be a mere phantom." By this he meant they would become the slaves of avarice and debt, which never fail to excite the worst passions of our nature. I will not deny that banks to a certain extent, if honestly conducted, may be of advantage to a well regulated commercial community. But how shall we avoid the abuses constantly growing out of such monopolies? Does not the evil more than counteract the good? Is not their inevitable tendency to create privileged classes—to enrich the few at the expense of the many? The opposition to banks by Thomas Jefferson, the great leader of the democratic party, was of the most decided and uncompromising character; and he seldom let slip an opportunity of expressing his abhorrence of their whole scheme of operations: while Alexander Hamilton, the great leader of the Federalists, took the opposite side; and thus the two political parties very early in our constitutional history divided upon this as a leading question. In opposing the old Bank of the United States, which was brought forward as a financial measure by Mr. Hamilton, when Secretary of the Treasury, Mr. Jefferson said: "I consider the foundation of the constitution as laid on this ground, that all powers not delegated to the United States by the constitution, nor prohibited by it to the States, are reserved to the States or the people. To take a single step beyond the boundaries thus specially drawn around the power of Congress, is to take possession of a boundless field of power, no longer susceptible of definition. The incorporation of a bank, and other powers assumed, have not, in my opinion, been delegated to the United States by the constitution. It is known that the very power now proposed as *a means*, was rejected as *an end*, by the convention which formed the constitution. A proposition was made to them to empower Congress to incorporate, which was rejected, upon the ground that they would have power to create a bank, which would render the great cities, where there were prejudices or jealousies on this subject, adverse to the reception of a constitution." He also objected to all paper money establishments, on economical principles, and as demoralizing to the community.

The bank made application for a renewal of its charter in 1810, and on the 24th of January, 1811, the bill was indefinitely postponed. The bank then simply asked for a short extension of its charter, to enable it to wind up its concerns. But the committee of the House of Representatives to which the memorial was referred, reported, through their chairman, Mr. Clay of Kentucky, "that, holding the opinion, as a majority of the committee do, that the constitution did not authorize Congress originally to grant the charter, it follows, as a necessary consequence of that opinion, that an extension of it, even under the restrictions contemplated by the stockholders, is equally repugnant to the constitution." Trustees were then appointed, and the concerns of the bank rapidly wound up and brought to a close.

Of the late Bank of the United States, we are all familiar with the history of its rise, progress, downfall, and final catastrophe—that it sunk thirty-five millions of capital for its stockholders ; reduced thousands of widows and orphans to beggary and want ; and spread bankruptcy and ruin over the entire country. During its existence every thing was attempted to be brought within the vortex of its operations, or made to feel the powerful effects of its influence. Its hold upon all the vital interests of the community were deep and pervading, and its terrible consequences will not soon be forgotten. If its managers desired, for any cause, to raise the price of property, or of labor, it was only necessary to extend their issues of paper, make money plenty, and their object was obtained. If, on the contrary, it was their interest to produce the opposite effect, they had nothing to do but to create a panic, by the opposite policy of contraction, by which money was made scarce, and both property and labor were at once brought down from the highest to the lowest prices. But this made no difference to the bank, if, in so doing, its interests were promoted. The first long panic was got up in 1819, and continued through the years 1820, 1821, and 1822, during which, if you recollect, we had exceedingly bad times in Illinois. In 1819 and 1820, just preceding the establishment of the old State Bank of Illinois, such was the scarcity of money, that a cow and calf would hardly sell for enough to pay the costs on the execution ; produce would not command money at any price. In 1825 there was another panic, which only lasted for a short period. In 1832 we had another, in consequence of the veto of the bank charter by General Jackson, then President of the United States. Again in 1833 and 1834, on account of the removal of the deposits ; and still again in 1836 and 1837, in consequence of the specie circular ; and last of all in 1840, about the time of the establishment of the Independent Treasury. During these several periods of fluctuations in the currency, persons engaged in business were often subjected to heavy, and sometimes ruinous losses. Will not the objections I have mentioned, in regard to these ruinous fluctuations, apply also with full force to the other banks of the country ?

In regard to the constitutionality of a Bank of the United States, I will now show you upon what slender ground it rests, according to the several views of its own advocates ; and how unsafe and improper it is to exercise such a power by implication. I will take Mr. Clay and Mr. Webster, who are deservedly admitted to be two of the ablest lawyers and statesmen on the Whig side, as examples. I have heard both of them express their opinions on this subject in the Senate of the United States, since I have been a member of that body, and do not therefore speak at random. Mr. Clay contends, that the power to establish a Bank of the United States, is to be found as an incidental power in the 1st clause of the 8th section of the 1st article of the constitution, which provides, that “ the Congress shall have power to lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defence and general welfare of the United States,” as a power necessary to be exercised for the convenient collection and disbursement of the public revenue. Mr. Webster, on the contrary, insists, that the power is to be found in the third clause of the same section, which provides that Congress shall have power “ to regulate commerce with foreign nations, and among the several States, and with the Indian tribes,” as a necessary means for the carrying on of our commerce. How different the construction ! May not even Whigs doubt, therefore, whether such a power is to be found

at all? Surely Democrats will be excused for denying its existence, under such circumstances.

In regard to the power of the States to establish banking institutions, a different question is presented. I will not now inquire whether banks, paying specie at all times for their notes, may or may not be created. The suspended banks, in my judgment, however, stand upon a very different footing. No State has the power, under the constitution of the United States, either to "coin money," or to "emit bills of credit." It follows, as a necessary consequence, that it would be equally a violation of that instrument, to authorize a bank, either to coin money, or emit bills of credit. Such a bill of credit, is a paper medium issued by, or under the authority of a State, and intended to circulate through the country for its ordinary purposes, as money redeemable at a future day. A bank chartered by a State would, during any period of its suspension, present just such a circulation—a paper currency representing money, and redeemable, if at all, at a future day. The old State Bank of Illinois was declared to be unconstitutional by the Supreme Court of the United States, because it did not pay specie for its notes, and they were redeemable at a future day. These suggestions are thrown out for reflection without much consideration, as the time has come, in my judgment, when these evils must be corrected, and provided against in future.

If banks may be tolerated at all, they are only desirable in commercial communities—issuing large bills for commercial convenience, and furnishing gold and silver for all the ordinary transactions in life; such as the Bank of France, for example. It issues no notes of a less denomination than five hundred francs, equal to about ninety-four dollars in our money; and the specie in its vaults has for many years been on an average nearly equal to the notes in circulation. In some years the specie in the vaults of the bank has actually exceeded the amount of its notes in circulation. This was the case in the years 1838 and 1839. In 1838, the average of specie on hand was \$50,430,500, and of notes in circulation only \$39,375,000. In the same year, the specie in all our American banks amounted to only \$35,000,000, while their circulation exceeded \$116,000,000. Gold and silver constitute the currency for all ordinary purposes, while paper furnishes a convenient remittance in large commercial transactions. Under this system, France is forever free from fluctuations in her currency and business, and has on an average a larger circulation of the precious metals than any nation in Europe. The Bank of England issues no notes of a less denomination than five pounds sterling, equal to about twenty-four dollars of our money. In England, as in France, all the smaller transactions between man and man are made with gold and silver. If we must have banks, why not profit by the experience of France and England? They have tried the system of paper banking under various modifications, and all experience proves, that it is the small note circulation which banishes the specie from circulation; and then in case of failure by the banks, we have no circulation at all; whereas, if the Bank of France should fail, an immense amount of gold and silver would still remain in the hands of the people. Bank failures and bank suspensions have become so common in our country, that they may be regarded as a part of the system; and unless they are subjected to the wholesome restraint of a bankrupt law, the individual stockholders made responsible for their issues, and their circulation restricted to a larger denomination of notes, I see no remedy for the evil.

During General Jackson's administration he attempted this reform in

our circulating medium, by increasing our coinage at the mints, and importing large sums of specie from abroad. The entire French indemnity for instance, was brought home in gold, and a small additional quantity of alloy used in the gold coinage at the mint, to prevent its exportation. The amount of specie imported from abroad during the eight years of General Jackson's administration, commencing the 4th of March, 1829, and ending the 4th March, 1837, as near as can be ascertained from the custom house returns, is \$80,287,353, while the exports from the United States during the same period were only \$36,494,492; leaving a balance gained at the time he went out of office, of \$43,792,861. During the same period the coinage at the mints went up to \$37,374,723. Every exertion was used, and every facility was afforded to increase the quantity of gold and silver in the country; and we see the results. Mr. Van Buren came into office the 4th of March, 1837, and went out the 4th of March, 1841. In these four years the imports of specie amounted to \$42,720,606, and the exports to \$25,393,133; leaving a balance gained during Mr. Van Buren's administration of \$17,327,473. The coinage at the mints in the meantime amounted to \$12,560,952. For the first year succeeding Mr. Van Buren's administration, and since the election of General Harrison, to wit, 1841, the imports of specie have only amounted to \$4,908,408, while the exports for the same year have run up to \$10,020,044; showing a balance sheet against us in a single year, of \$5,111,636. The coinage at the mint within the same year, 1841, tumbled down to only \$1,206,901. At this rate the specie will leave the country quite as fast as it came in under the democratic administrations of General Jackson and Mr. Van Buren; and the coinage will be frittered down to nothing. This change is attributed by the democratic party here, in a great degree, to the repeal of the Independent Treasury law. By that law nothing but gold and silver was received by the Government in the collection of its revenues, and nothing but the like currency paid out in the various public disbursements—now paper again is substituted for coin, and the true standard of value is departed from, for one of uncertainty, and of almost daily fluctuation. How can our country prosper under such a condition of things? Already have we seen in the bank note tables of exchange, paper depreciated from five to ten per cent. quoted at *par*, as the *standard* of prices, and gold and silver, at the same place, quoted at a premium of five and ten per cent.; thus reversing the true order regulating the affairs of trade, by which *specie* should have been quoted as the *par standard*, and the paper as depreciated from five to ten per cent.

HIGH PROTECTIVE TARIFF—HOME LEAGUE, ETC., AND A TARIFF FOR REVENUE AFFORDING INCIDENTAL PROTECTION.

Here the parties again differ; the Whigs being in favor of a high protective tariff of duties, in many instances amounting to an exclusion of the foreign article, while the Democrats are in favor of a tariff for revenue, affording incidental protection only. It has been seen that the current ordinary expenses of the Government, judging from the actual expenses of 1841, and the expenditures estimated and recommended for 1842, are to be arranged under this Administration, at about \$25,000,000 per year. It has been also seen that we have a debt already authorized, and which is now or will soon be contracted, amounting to twenty-four millions and three quarters, the annual interest upon which will be more than one million and a half, while the principal should be gradually paid.

Can the money for these purposes be raised by a tax upon imports, without imposing unreasonable burdens upon the people, if indeed it can be so raised at all? It is impossible to make any precise and certain calculations upon these points, because it is impossible to tell, with certainty, what our exports, or our imports, will be for any future year or number of years. The members in that branch of Congress to which I belong who ought to be most competent to make estimates upon these points, (I mean Mr. Clay, of Kentucky, upon the one side of politics, and Mr. Woodbury, of New Hampshire, late Secretary of the Treasury, upon the other,) have made their calculations. They both assume, what it is very plain must be true, that the imports must be principally regulated by the exports, and that, however, this rule may vary for a single year, occasioned by the fluctuations of trade, or by the making of loans abroad by associations, States, or exportations, the avails of a large portion of which are always brought home in the shape of goods imported, it must always be a sound rule in practice, when applied to a series of years. It matters not whether our exports consist of the products of our labor, or of gold and silver, so far as this comparison is concerned. All are alike our exports, and they must go to pay our debts abroad, to purchase our foreign merchandise, or must be sold for gold and silver to be imported. In that sense too all are alike our imports. But all our imports are not alike dutiable, and the gold and silver coin and bullion, coming into the country, are among the few articles not now taxed.

Making the necessary variations, in their various calculations, for the fluctuations in trade, for our foreign debt, national, State, corporate, and commercial, the interest upon which must be paid, these great financiers have not varied very widely in their estimates, and have supposed that our imports which can be taxed to raise a revenue will, for a series of years to come, not exceed from ninety to one hundred millions per year. This, of course, is excluding from the calculation all the articles of import which are to be imported free from duty; but I believe that the calculations to which I allude more particularly did not, upon either side, exclude tea and coffee, but contemplated that they would be taxed. I believe all the estimates were made upon the basis that gold and silver coin and bullion should be free articles.

A further point was much agitated, and upon it there was a wide difference of opinion, in many respects. I refer to the question of what duty any given article of importation, or class of merchandise, would bear, before either the importation would stop on account of the tax, the article be smuggled, or the consumption in the country be suspended in consequence of the increase of price. As one instance, it was urged, that if a high duty should be placed upon jewelry, precious stones, and the like, there would be no revenue obtained upon their importation; because all would be smuggled, as the bulk was so small and the value so great as to afford every inducement and facility. Again, it has been suggested that if a high duty be imposed upon tea and coffee, the consumption of those articles will be so much diminished, and consequently the import, as to afford less revenue than a low duty. So with the coarse and cheap cottons. If a high duty be imposed, though it may benefit our manufacturers, it must exclude the importation, and consequently produce no revenue. These remarks might be extended to great length, but a few examples will suggest to you the whole importance of the point discussed.

All these articles, and hundreds of others which stand upon the same footing, are put down to make the ninety or one hundred millions of dutiable imports; and if the arrangement of our tariff shall exclude any of them, or

shall diminish the amount of either ordinarily imported, to precisely that extent must the gross amount of dutiable imports be diminished, and consequently the amount of revenue collected, at any fixed rate of duty. Still I will assume that the *whole* amount of dutiable articles will be one hundred millions, and then we see that a tax of twenty-five cents on every dollar must be realized to the treasury, over and above all the expenses of the collection, merely to raise the twenty-five millions of revenue to be raised to meet the ordinary expenses of the Government. If, then, a part of this amount of imports will not bear a duty of twenty-five per cent., without stopping the importation, some other part, equal in amount, must bear as much more than twenty-five per cent., as that may be less, or we fail to get the aggregate of \$25,000,000, of revenue. It is confidently believed that a large amount of the imports will not bear more than twelve and a half per cent., without either stopping the importation, or promoting smuggling, which is destructive of all revenue. If this be so, then another large portion must bear thirty-seven and a half per cent. duty, or the treasury will be in want. So the pressure of the times may diminish the imports for some years yet to come, and the fluctuations and changes of trade may bring with them disappointments as to this source of supply for the treasury.

It will not have escaped your observation that, in these remarks, I have left the interest and principal of the public debt wholly unprovided for. The interest is more than a million and a half per annum, and certainly we ought not to think of providing a sinking fund for the principal of less than a million and a half, for at that rate it will take about seventeen years to pay it off.

Can we then spare the three millions of revenue from the public lands for distribution, and not certainly create the necessity of a direct tax to exactly the same amount to meet the interest and principal of this national debt; for we must not forget that when we cannot raise money enough to supply the treasury by a tax upon imports, the only other way to raise it is by a direct tax? So if we make a tax to protect our manufactures which shall exclude imports, we must make up to the treasury its loss of revenue by direct taxation. I know that some of our honest and patriotic people have been accustomed to think that there was no limit to our power to raise revenue by a tariff, and that the more tariff we have the more revenue we shall get, and the more protection our domestic manufactures will receive. Will they not recollect the truth of the old adage, "That we cannot have our cake and eat it;" that if we do not import, we cannot raise a revenue by a tax upon imports; that if we do not consume foreign goods, they will not be brought to the country; and that if we do not get our revenue by a tax upon imports, it must come from a tax upon our property, our houses, and our farms?

I will give you a few simple facts, in the way of statistics taken from official and authentic tables to show how these things operate. It is contended by many, that our country would be more independent, and our condition in every respect better, if foreign merchandise could be excluded altogether, and our own manufactures encouraged—that we of the West and South should purchase the manufactured articles of the East and North, and they in return would purchase our produce: never was any thing more fallacious. It is of course known that all our revenue is derived, under existing laws, through the custom house, by duties imposed on the importation of foreign merchandise; and the amount of money required to support the Government was stated by Mr. Clay at twenty-five millions of dollars. Now stop this importation of foreign goods, and what becomes of your revenue? How is the

deficiency to be supplied? The question is not difficult of solution. It must be supplied by a direct tax on the people, as it is in part supplied in England at the present day. We should then have domestic imposts, excises, and United States taxes to pay, in addition to our State, county, corporation, and road taxes. Such a tax would fall peculiarly heavy upon the people of the West, as direct taxes by the constitution of the United States are to be apportioned among the several States, "according to their respective numbers," and not according to the *wealth* of the respective States. Thus one of the old States, having ten times the wealth of Illinois, but with no more federal population, would pay the same tax only. Those who were old enough, will remember, during the late war with Great Britain, when our importations of foreign merchandise were nearly cut off for a time, in consequence of the war, and we were reduced to the necessity of resorting to a direct tax, how it operated upon the States. For nothing is more odious to the people of this country than a direct tax.

Besides this, what would become of our ships and men engaged in this foreign commerce? We have in all about fifteen thousand ships—making together 2,180,764 of tonnage, and manned by 80,000 seamen. Of these it is estimated, by competent persons, that 4,498 ships, with 889,764 of tonnage, and employing about 30,000 seamen are employed in our foreign trade; constituting by far the best part of our commercial marine; the largest and best ships, and most experienced officers and seamen being always required for the foreign service.

Again if we tax British and French commodities unreasonably high, upon what will they retaliate? Not upon the manufactured articles of New England, but upon the cotton, tobacco, and bread stuffs, mainly, of the South and West. The burdens to be borne in support of such a contest would not therefore be reciprocal; and this has been the constant complaint of the South against the high protective principle. For instance, the annual product of cotton is estimated by Mr. Walker, of Mississippi, at 2,000,000 of bales, of which he says only about 300,000 bales are consumed in the United States; 1,700,000 bales, therefore, must seek a foreign market. Of the tobacco grown in the United States about 130,000 hogsheads are annually sent abroad for a market. In 1840 the number was 119,000 hogsheads, and in 1841 upwards of 147,000 hogsheads. And so with our wheat and other produce. Liverpool and Havre are our two best markets. The proportion of American cotton used in the French consumption is stated at eighty-seven out of every one hundred pounds, including all other countries; while four-fifths of the French imports of foreign tobacco are from the United States. In regard to England, it is stated in Hunt's Merchants' Magazine, from a pamphlet recently published in that country, by a Manchester cotton manufacturer, "that a population of upwards of a million of the inhabitants of England are supported by the various branches of cotton industry, and are dependent for the raw material on the United States." Hemp is also a leading article among our staple commodities, is intimately connected, and must depend in a great degree on the success of the cotton trade—inasmuch as a very large portion of it is manufactured into bagging and bail rope, and is used at the South and Southwest, in the bailing up of cotton intended for the market. If we do not purchase from them will they purchase from us? But our opponents say, why purchase such luxuries as wines and silks from France. I admit that wines are not in very good odor at present; but I answer the question by asking in return, are not silks quite as useful as tobacco? And if England

purchases some of our raw cotton, why not purchase some of it from them when it assumes the form of the manufactured article? Nations, like individuals, must live and let live, and exchange commodities when both are accommodated by the arrangement—just as a farmer is, when he gives a few bushels of wheat for a sack of coffee or a barrel of sugar. Still we must have a revenue to support the Government, and to that extent we may levy duties favorable to domestic industry; as we should always give the preference to our own manufacturers, when the other great interests of the country are not injured by it.

A word now in regard to the English corn laws, which are supposed in a great degree to exclude our bread stuffs from the British market. Although this is ostensibly the case, yet in its effects upon our trade, it does not so operate; as a large portion of our wheat and flour has found a market there of late, at good prices, through the Canada market, as colonial produce. It is moreover said, that this course of trade is even winked at by the British ministry, who are not ignorant of it, but who at the same time would be unwilling perhaps to repeal the corn laws on account of the landed interest of the kingdom. One of the best informed gentlemen in this city expressed to me the opinion a few days ago, that the last thing that should be desired by the wheat growing States bordering on the lakes ought to be the repeal of the English corn laws. "Now," he said, "you have a good market through Canada, with more than a fair chance with the Continent; when, if these laws were repealed, the Continent and the Black sea might prove to be more than a match for you." One of the greatest advantages they would possess over us in such a competition, is, that their bread stuffs are not so liable to damage in the transportation as ours.

THE RHODE ISLAND CONTROVERSY.

Here again the Democrats and Whigs are divided; the Democrats, as a party, being in favor of the free right of suffrage, and the Whigs against it. The Rhode Island case, as it is called, is one which has caused much feeling here, and, I presume, in our own State. The facts, material to the real question, are few and simple, and from them every man who has a vote to give, or who, being denied that highest right of a freeman under our institutions, ought to enjoy it, can form his opinion for himself, upon the whole case.

The Government of the State of Rhode Island is, at this day, organized under a charter granted by Charles II, King of England, to the Colony of "Rhode Island and Providence Plantations," in the year 1663, more than a century before the American Revolution. That charter was an exceedingly liberal one for the day and time of its date, and as a grant from a British king to British subjects; and it is but fair to the whole people of Rhode Island to assume that, on that account principally, it has been permitted to remain to this day. Yet it is, in many senses, but the charter to a land company, as it was contemplated evidently, upon the face of the charter, that the freemen under it were to be proprietors of the colony, the soil of which was granted to the association. Hence the qualifications of voters, with a very general expression that they should be men of suitable standing and property, or something to that purport, was left to the legislature. So also the representation in the popular branch of the legislature of the colony, of a few of the towns then organized, was fixed and specified in the charter, with the provision that all other towns, thereafter to be organized, should be entitled to elect to that branch of the Legislative Assembly two members each.

Under this charter the legislative council of the colony, before the Revolution, and the legislature of the State, since, have continued to pass laws to regulate the right of suffrage of the citizens of the United States, resident in that State, always confining that right to a freeholder to a certain amount in value, and to the *oldest son* of such freeholder, and excluding from the ballot box all other persons, however worthy, however wealthy, and although natives of the State, or however long residents therein. This has been one of the great causes of the popular struggle in that State.

The representation by towns in the legislature has always been according to the old charter, and, as a consequence, the town of Newport, with a population by the last census, of 8,333 souls, sends six members, while the city of Providence, with a population of 23,171 souls sends but four members. This is a specimen of the inequality of representation of the people of the State, to say nothing of the inequality of the right of voting; and this has grown out of the change of population in the different towns, compared with each other, since the charter was granted, now almost two hundred years ago. Still the charter does not give the legislature any power to change this rule of representation, as it does not contain any provisions for its own alteration or amendment. These it would not contain, as a matter of course; because, being a charter granted by a sovereign to his subjects, all changes in it, if any were to be made, must depend upon his will and pleasure, not upon the action of those to whom he had granted what he then pleased.

Under this state of things, that deep wrong and injustice prevails in that State, both as to the right of suffrage, and the inequality of representation, no reasonable man can doubt, and the only question is, who is authorized to redress these wrongs and remedy that injustice? To me the question seems one of easy solution. Who could have done it, if the American Revolution had not taken place, and Rhode Island had yet remained a British colony? Not, certainly, the colonial legislature. Their powers would have remained limited by the charter of their sovereign, under which only they would have held legislative powers at all. That sovereign alone would have had the power to change the charter. When the American Revolution had terminated in the acknowledgment of the British king that Rhode Island was a free, sovereign, and independent State, upon whom did the powers of that sovereign over that charter fall? Upon the colonial legislature? No. Upon the governor elected under that charter? No. Upon whom then? Is any American unable to answer for himself, and for his countrymen in every corner of this broad Union? No. The universal answer will be, as he true one is, upon the people of the State of Rhode Island. Who, then, after that Revolution, held the power, and now holds it, to abrogate that old charter by a free and equal and proper constitution of government for that State? The People of Rhode Island, who held the present sovereignty of that State by conquest from the King, who granted the charter. Rhode Island has become one of the most extensively manufacturing States, according to its population, in the whole Union, and the smallness of its territory and its location, within the most commercial and trading portion of the Union, has made that condition a most natural one. It is said, with the strongest confidence, and probably with perfect truth, that the free adult males within the territory, citizens of the United States, and not fortunate enough to be the "oldest sons" of freeholders, could not, by any possibility, if they had the means to do so, procure a freehold interest within the limits of the State which would entitle them to a vote—that the profitable and useful occupancy of the soil of the State would not allow of the subdivisions which would be

required to produce this result. Who then, again I ask, are the People of Rhode Island, in a political sense, under our free institutions, and who are authorised to pronounce the sovereign will of the State, in reference to the formation of a system of government? The whole body of American free-men will answer, the free adult male citizens of the United States, permanently domiciliated within the State.

What, then, is the Rhode Island case? It is that these citizens of the United States and of that State have, through the medium of the ballot boxes, and by quiet and peaceable and orderly representative assemblies, attempted to abrogate that old British charter, and substitute in its place a constitution of government conformable to our American institutions; but that they have attempted to do that without the authority, or leave, or sanction, of the charter's legislature, elected by the freeholders and the oldest sons of the freeholders of the State. This is the offence, and this is called treason here by some, and is enacted to be treason by that charter legislature.

I do not attempt to say that the people of Rhode Island have, by their voice, abrogated the old charter and established a constitution. After what has taken place in that State, and elsewhere, upon this subject, I have as little disposition as I have right to pronounce upon the *fact*; but I do, without a shadow of doubt or hesitation, pronounce my opinion in favor of the *right* of the people of that State, as I have defined the term "people," to have done that, at any time since the American Revolution, or to do it now; and if treason should grow out of such peaceable and orderly proceedings on the part of that people, it would, in my judgment, be upon the consciences of those, in or out of the State, who should, by violence or otherwise, resist that popular voice, and not of those who should act as the servants of the people in carrying it out and making it effective.

"The charter of King Charles prescribed the number of members of the Legislature for each town; and, by examining the following table, every man can see how this royal document enables a minority of less than one-third to govern the other two-thirds of the people of Rhode Island:

	Population.	No. Members.		Population.	No. Members.
Providence county,	- 58,073	22	Newport county,	- 16,874	20
Bristol county, except Barrington,	- 5,927	4	Washington county,	- 14,321	14
Kent county, except East Greenwich,	- 11,574	8	Town of Barrington,	- 549	2
			Town of East Greenwich,	1,509	2
	<u>75,574</u>	<u>34</u>		<u>33,256</u>	<u>38</u>

"Thus, 33,256 people govern and control 75,574, under a royal charter to a land company, bearing date in the year 1663!"

What would the people of Illinois say, if none but *freeholders* and the *oldest sons* of freeholders, were permitted to vote in our State?

THE CREDIT SYSTEM.

"*Perish credit, perish commerce,*" has been a favorite motto with our opponents. And many of them were carried to such extremes by their favorite system of credit as to maintain the doctrine that "a national debt was a national blessing." The funding system (in other words a national debt) appears to have been a favorite scheme with Mr. Hamilton. Mr. Jefferson denounced it as at war with the genius of a republican government. General Jackson believed it to be the greatest curse that could befall a free country; for, in his judgment, nothing was so corrupting as a great money oligarchy. The paramount object with him, therefore, when he came into the office of President, on the 4th of March, 1829, was the extinguishment of the public

debt. It amounted at that time to upwards of sixty-five millions of dollars ; and, strange as it may seem, it was all paid off during the first seven years of his administration. The last dollar was paid in the year 1836, while in the meantime all the other demands upon the Government were promptly met, and the payments punctually provided for. During this period all the nations of Europe, I believe without exception, instead of diminishing, were increasing theirs, under the funding system. Doctor Benjamin Franklin, who was justly considered one of the most celebrated of practical economists of this country, in his many beautiful maxims on this subject, under the assumed name of "Poor Richard the Scribe," uniformly condemned the credit system as now understood and practised upon in these times of embarrassment and pecuniary distress. If our citizens, many of whom have been sobered down of late by disappointments in speculation, would study and practise upon the truth of the following beautiful maxim, I think that no harm, to say the least of it, would result from the reflection in the future :

"Neither a DEBTOR nor a LENDER be ;
For CREDIT blunts the edge of husbandry,
And DEBT doth often lose itself and friend."

The eccentric but highly gifted John Randolph, of Virginia, according to an anecdote which is related of him, was once in the act of delivering one of his most eloquent speeches in Congress, when he suddenly stopped, and after a moment of apparent reflection, changed entirely his tone and manner, and addressing himself to the speaker, said : "Mr. Speaker, a thought has struck me, sir ; I believe, sir, that I have discovered the philosopher's stone ; and it all consists in these four, plain, English monosyllables, to wit : pay—as—you—go." After which he resumed, and concluded one of the best speeches he had ever before made in that body.

Unfortunately for our countrymen, we are so eager in the pursuit of wealth, that we altogether forget that it requires industry and economy to procure it. We are so dazzled, and so much occupied with the speculations floating before our excited imaginations, that we have no leisure to study the laws which regulate the production and distribution of property, by which alone wealth, as a general rule, can be obtained. Hence the reason why so many of our schemes for growing rich of late years fail in their very inception, and hence the reason why we have so much legislation in relation to contracts between man and man, often in effect impairing their obligation, when we should have no legislation at all ; when the few and simple *natural* laws which govern and regulate the acquisition and distribution of property, if timely attended to, would arrest the evil and its consequences. It was not so with our ancestors ; and many of our old, practical farmers, I have no doubt, could teach a lesson to some of our young legislators on this subject that would be worth remembering.

The pernicious effects growing out of this false notion of the credit system are now seen and felt in every branch of our Federal and State Governments, and in our neighborhood affairs in every part of the country. It is credit that enables the spendthrift to live upon the property and money of his confiding neighbors. It is credit that induces one man to go security for another, by which so many are broken up and ruined. It is credit that tempts the husbandman to eat up and wear out in luxuries his crop before it is made. The English manufacturer sells to the New York merchant on credit ; the New York merchant sells to the Illinois merchant on credit ; and the Illinois merchant sells to the people on credit ; and out of the people, by a reversed process, the English manufacturer must get his money. At first

the merchant is very clever and obliging, and seems to have no use for money, and by way of inducement, tells the farmer if he will purchase, that it makes no difference about the time of payment, &c.; but soon afterwards, and perhaps when the farmer is least able to pay his account, he sees in the newspaper of his village, advertisements which he well understands when perhaps it is too late, somewhat after forms like these: "Last notice," "Must have money," "Come up to the rack," &c., when it is not unfrequent that his *necessaries* are sold at a ruinous sacrifice, to pay for things which might have been dispensed with. "He has short credit who has money to pay at Easter," is among the sayings of Doct. Franklin; and never was there a greater truism. It is credit that causes so many of late years to die insolvent, and leave their widows and orphans destitute of the means of support. It is credit which often makes the bankrupt, the drunkard, and the suicide. It is credit that has ruined so many of the States, broken the banks, and those who have borrowed from the banks. Alas! What has not this credit system done to blight the prospects, and destroy the hopes almost, of this fairest portion of the earth?

EXTRAVAGANCE OF GENERAL JACKSON'S AND MR. VAN BUREN'S ADMINISTRATIONS—PROMISED REFORM BY THE WHIGS.

I have shown that when General Jackson entered upon the administration of the Government, in March 1829, that the "National debt" amounted to \$65,532,603, and that the whole of it was paid off the year before he went out of office. During his time large sums of money, amounting to many millions, were recovered through his negotiations from foreign nations, on account of spoliations on our commerce; some of them extending back to periods beyond the quarter of a century—such, for instance, was the large claim against the Government of France. By his uncommon energy, perseverance, and devotion to the interests of his country, every nation was not only compelled to bring the long negotiations which had been pending under the administrations of his predecessors to a close, but to acknowledge the justice of our claims, as far as they were proper, and provide for their immediate payment. The rule of his conduct was, "to award justice to all nations promptly, and to take nothing less in return." When speaking of the French indemnity, he said: "It is too much to wait a quarter of a century for the recognition of our claim, and then another quarter of a century for the payment of it." And we all remember how near we were, several years ago, under his administration, making reprisals upon France to compel her to perform her treaty stipulations in regard to this same payment, which had been unreasonably delayed beyond the time agreed. But the money came, and the old veteran again took Louis Philippe by the hand. There were also paid during his and Mr. Van Buren's administrations large sums, amounting to a great many millions, in the payment of pensions, in the purchase of lands from the Indians, and in the prosecution of the war in Florida, for the increase of the navy and the like, besides the ordinary expenses of the Government. Besides this, over twenty-eight millions of dollars was paid out of the national treasury as a surplus, to the several States of the Union, in form as so many deposits to the credit of the United States, but virtually a distribution among the States. The first instalment, exceeding nine millions of dollars, was paid to the States the 1st of January, 1837; this was during General Jackson's administration. The second instalment, also exceeding nine millions of dollars, was paid the 1st of April, 1837; and the third instalment, of the like amount, was paid the 1st of July, 1837—making over twenty-

eight millions in the whole; of which two instalments, exceeding eighteen millions of dollars in amount, were paid over after Mr. Van Buren came into office—of this money it appears from an official statement from the Secretary of the Treasury, the State of Illinois received \$477,919. It also appears from an official statement from the Engineer department, that from the year 1830 to 1838 inclusive, embracing the last six of General Jackson's, and the first two of Mr. Van Buren's administrations, the aggregate sum of \$746,000, was expended on the Cumberland road in Illinois alone. This embraces all the money that was ever expended in Illinois on account of that road, with the exception of a fraction of \$10,000 only, which was originally expended in laying out the road through the States of Ohio, Indiana, and Illinois, which was charged to the account of Ohio on the books of the department. From the year 1833 to 1838 inclusive—during the last four of General Jackson's, and the first two of Mr. Van Buren's administrations, there was also expended, according to the official statements, on the harbor and lighthouse at Chicago, in Illinois, the further sum of \$197,000, besides a considerable sum expended in improving the navigation of the Mississippi, at the rapids, in which Illinois was interested. These sums amount in the whole to a sum not varying much from one million five hundred thousand dollars.

When Mr. Van Buren came into office in 1837, the reductions in the tariff of duties under the compromise act of 1833, had begun very sensibly to diminish the revenue, and like a wise and prudent statesman, as I believe him to be, he recommended a corresponding retrenchment in our expenditures. Congress nevertheless constantly exceeded by their appropriations the estimates of the departments, all of which had been graduated by a scale of expenditure commensurate with the falling off in the income. All reforms to be judicious should be gradual. For the year 1837, the first of Mr. Van Buren's administration, the expenses of the Government are officially stated at \$31,610,003; for 1838, \$31,544,396—a reduction of \$65,607 only; but this was something by way of a beginning. In 1839 the expenses were brought down to \$25,443,716, a saving of \$6,100,680 from the expenditure of the preceding year; and 1840, the last year of his administration, the expenses were reduced to \$22,389,356. In some portions the of country he was charged with extravagance; while in other portions, along the Atlantic seaboard, which had been accustomed to very large annual appropriations, he was charged with being parsimonious and niggardly. He regarded neither, but kept a steady eye upon the best interests of his country, by using every effort to keep the expenditures within the income. Mr. Woodbury, who was his Secretary of the Treasury, informed me a few days ago, that it was Mr. Van Buren's intention to have brought down the expenses of the Government to about eighteen or twenty millions; and by examining his last reports on that subject, he says, it will be seen, that all his estimates were framed with that view.

His estimates, assuming eighteen millions as the proper sum, which I have taken from a memorandum which he gave me, are as follows:

Civil, diplomatic, and miscellaneous expenses, - - - -	\$4,000,000
Military, including Indians, pensions, &c., - - - -	9,000,000
Navy, and naval expenses, - - - - -	5,000,000
	<u>\$18,000,000</u>

Making a total of eighteen millions; and this in his judgment, he said, was amply sufficient. When Mr. Van Buren retired from the administration of the Government on the 3d of March, 1841, there were only about five millions of Treasury notes outstanding which had not been redeemed; which was all

that could be regarded in the light of a national debt. Now if the \$28,000,000 of surplus, which was taken from the national treasury and deposited with the States should be brought back, (and if not brought back, a credit should be allowed for it,) and the \$5,000,000 of Treasury notes deducted, it would leave during the administrations of General Jackson and Mr. Van Buren, a balance saved to the Government over and above all the expenditures of twenty-three millions of dollars.

Mr. Clay, of Kentucky, in his 4th of July Speech, 1840, when condemning Mr. Van Buren's administration, which he contended had destroyed all confidence in the credit of those engaged in business; had reduced the prices of produce and wages of labor; said, "that the fact of General Harrison's election, will of itself powerfully contribute to the security and prosperity of the people. Confidence will immediately revive; CREDIT will be restored; active business will return; and the prices of produce and the wages of labor will rise."

Thus you perceive, that our Whig opponents came into office promising better times; and many an honest man was induced with the best of motives, to join in the cry of change! change!! against Mr. Van Buren, in the confident hope of speedily seeing, in case of his defeat, these same better times. But alas! how fleeting such expectations. The promise was made to the ear it is true, but it has been broken to the hope—and having scarcely lasted for a night, has vanished with the mists of the morning. Already has a national debt, exceeding twenty millions of dollars in amount, been brought upon the country through extravagance and mismanagement—the treasury is bankrupt—the credit of the Government run down. Confidence as promised, has *not* been revived; CREDIT has *not* been restored; active business has *not* returned; the prices of produce and of labor have *not* risen; Mr. Clay has resigned his seat in the Senate, and gone home to Ashland; and universal distress, and a total want of confidence, pervades the entire country. And yet the Whigs have a large majority in both Houses of Congress, and although we have been in session now for seven months, have not been able to find a remedy, except in promises.

POLICY IN RELATION TO THE PUBLIC LANDS—DISTRIBUTION—PRE-EMPTION—GRADUATION, ETC.

I have always been opposed to any proposition in relation to the public lands, which had for its object distribution simply, and which did not carry along with it a just regard for the future settlement, population, and advancing prosperity of that part of the country embraced within the limits of the new States; as I am clearly of opinion that the rateable proceeds of the sales which would fall to the share of Illinois, would but poorly compensate for the injuries that would be, and have already been inflicted under such a system. I always feared the cupidity of the old States, from the moment they could lay their hands upon this money, or upon the lands. As far back as December, 1829, Mr. Foot, of Connecticut, then a senator in Congress from Connecticut, introduced a resolution into the Senate instructing the Committee on Public Lands to inquire into the expediency of limiting the sales of the public lands for a certain period, to such only as had been before that time offered for sale, and subject to private entry; and, also, whether the office of Surveyor General might not be abolished without detriment to the public interest. This proposition, if carried into effect, would have restricted the settlements to the lands which had been surveyed, and were subject to private entry only; the object being such, as would govern a private land

speculator in bringing his lands into market only so fast as they could be sold for money. It has always been regarded as a *money* measure in such of the *old* States as have been in favor of it, with an eye single to the *dividends*. It is this class of persons who have always opposed our pre-emption laws, and laws for the reduction of the price. But it is only necessary to go back to the bill which was passed at the late extra session of Congress, for the distribution of the proceeds of the sales, to show the feelings of its advocates. By that bill the right of pre-emption was denied to foreigners not naturalized, and to all who had gone upon the lands in advance of the public surveys, notwithstanding they were told again and again upon the floor of Congress, that it would deprive thousands of the citizens in northern Illinois of this right, who had gone upon these lands, as has always been the custom, before they were surveyed. Again, we protested against any restriction which should interfere with the right of a sovereign State, to provide for the settlement of its whole territory. Since distribution has become a favorite measure of the Whigs, what I anticipated in a speech made in the Senate, in January, 1841, has already been verified to the letter: we have had already resolutions presented to Congress, from several of the *old* States, protesting against pre-emptions, and reductions in the price, and against any cession to the *new* States in which they lie; and if they had the power they would limit the sales to such lands as were subject to private entry only, for they have quite as much interest in retarding our settlement, as they have in the money to be derived from the sales. Our increase in population, and their loss, has absolutely astounded them. For now, Illinois will have more members in the 28th Congress, under the new apportionment, than Connecticut, New Hampshire, Vermont, or New Jersey, and as many as Maine, Alabama, or South Carolina; and in the next ten years, she will probably be the fifth or sixth State in the Union. Many years ago, when this distribution policy, was first brought to the attention of Congress, it was universally condemned as unjust by the members from the new States. I allude to that period when Governor Edwards, of our State, who was then in the Senate of the United States, made his unanswerable speech against the "Maryland Resolutions." But this policy is unjust to Illinois, in denying our right to tax the lands within our limits. For I see no difference in principle, whether as a permanent system, the lands themselves or their proceeds are distributed. If the lands were to be distributed at once among the States, and become their separate property, it is very clear we would have the right to tax them; which we cannot do so long as they remain the property of the United States. There are as yet unsold in our State, eighteen millions of acres of the public lands. These, at a tax of three cents per acre, or \$4 80 per quarter section, would produce an annual revenue exceeding \$500,000. The doctrine contended for by those in favor of distribution is, "that these lands do now actually belong to the individual States as a common property, and not to the United States." If this be true, then the United States, in the sale, and subsequent distribution of the money, acts only as a *trustee* for the States; and we may rightfully tax such lands within our limits, as they no longer are the property of the United States. It was contended by Governor Edwards, and very properly, that no distribution would be just to the new States, which was not equal to an annual tax upon the lands. The taxing power is indeed inseparable from the idea of sovereignty; and so long as these public lands remain unsold, and consequently not subject to taxes, we remain to that extent subject to a species of vassalage unknown, and unfelt in the old States, and which they would not willingly submit to. It is to this cause, to wit:

that more than one half of the lands in Illinois are not taxable, more than any thing else, that we are now unable to pay the interest on our State debt, and to prosecute the work on the canal; as I have shown that this tax which is now wholly lost to the State, at three cents an acre, would amount annually to five hundred thousand dollars. But the idea of a distribution has always gone upon the supposition of a surplus in the National Treasury. For of what possible advantage can it be to take money from the treasury, and distribute it among the States; if the deficit should have to be supplied by a tax upon the people? We may borrow, it is true, as seems to be the present policy of the Whigs, but will not the principal, with accumulated interest, have to be paid in the end? It was for this reason that when the distribution law was passed at the late extra session, a clause was inserted, "that in case of war, or the necessity of increasing the tariff of duties above twenty per cent. *ad valorem*, the distribution should be suspended." And it was for this reason, that President Tyler very properly *vetoed* a tariff bill on yesterday, which had been passed by the Whig members in Congress, providing for a duty above twenty per cent. for a limited period, and yet so framed, as to withhold the land money from the treasury. It is now understood that the President will not approve any bill whatever, for the raising of revenue, which violates the compromise section in the law of the extra session referred to.

ILLINOIS AND MICHIGAN CANAL—STATE CREDIT—TAXES, &c.

I have long considered the success of the "Illinois and Michigan canal" as vitally connected with the best interests of our State—I regard it as second in importance only to the Erie canal of New York; and as indispensably necessary to revive the drooping prospects of our State. What shall not be thought of a work which is destined to connect the waters of the lakes with those of the Mississippi? Nor is it a sectional work, intended to benefit one section of the State at the expense of another, as has been supposed, and honestly no doubt, by many, who have not had the means of correct information. Are not we on the Mississippi, in fact, more interested in its completion, than our fellow-citizens at Chicago? Let a fact or two suffice to show. I take, for instance, a fact in relation to the price of wheat, copied from the Peoria Register sometime ago, as compared with the price of wheat at Chicago at the same time. The editor says, "wheat is a dull article here, (Peoria,) at forty cents a bushel; while the sale is brisk at Chicago at ninety cents." I estimate the quantity of new wheat in Peoria county at 50,000 bushels. Now see how much our farmers will lose in this one article by not having the facilities which the canal would furnish for transporting their produce at Chicago.

50,000 bushels of wheat at Chicago at 90 cents, is	-	-	-	\$45,000
Ditto. ditto. at Peoria at 40 cents, is	-	-	-	20,000
		Difference	-	\$25,000
Expense of transportation to Chicago eight cents a bushel	-	-	-	4,000
		Loss	-	\$21,000

Leaving a loss in one year on wheat alone, says the editor, "which would be sufficient to pay the debts of all the farmers in the county." Our citizens purchase most of the pine lumber used in building our houses at St. Louis, at the rate of from three to five dollars per hundred feet. The same kind of lumber can be purchased at Chicago, and in any quantity, at one dollar per hundred; and if our canal was completed, could be furnished on the Mississippi, and all along the Illinois river at from \$1 50 to \$2 per hundred—but the greatest advantage would be derived in transporting our produce, and especially our wheat, in that direction, to the Eastern markets, or for exportation through Canada to England as mentioned in a former part of this letter. Flour and wheat, moreover, are often

damaged, and become unsaleable, on account of the hot weather and humid atmosphere of the South, when no such injury would probably happen by taking the northern route. The convenience of travelling would take thousands in that direction, who prefer that route, but who now go by the Ohio for the want of this grand link in our chain of water communication. Are we not all then alike interested, and is not our State and the adjoining States also interested in its completion? But this must be done, and will be done, without imposing a tax upon the people during their embarrassments. Other means must and will be resorted to, without the necessity of taxing or borrowing, under such unfavorable circumstances as at present. We are now endeavoring to procure an additional grant of land from the United States for that purpose, and trust that we shall be successful. The time is also equally unpropitious in my opinion to think of levying a tax to pay our State debt; but we must not repudiate. It will not do to let our beautiful State sink down into hopeless bankruptcy. If we cannot pay the whole, we must, as soon as we recover from our depressed condition, pay what we can without oppression; and our creditors, seeing our disposition to perform to the uttermost of our ability, will be satisfied. But oppressive taxes ought, under no circumstances, to be resorted to; for it does not follow because a man is in debt that he is not to live. The following beautiful extract from a late message of Governor Carlin, in relation to our State indebtedness, and against the doctrine of repudiation, is couched in so much more appropriate language than I have at command, that I beg leave to copy it for the benefit of those who have entertained doubts upon these important subjects.

"These embarrassments," says the Governor, (alluding to the debt of our State,) "have grown out of our system of internal improvements, adopted by improvident legislation, at a time when the delusive phantom of speculation seemed to have taken possession of the human mind, and led the world into extravagance and error; and however deeply we may regret the evil, which this system has entailed upon us, it would be unwise and unpatriotic to shrink from the responsibility of applying our best efforts in the pecuniary redemption of the State and the preservation of her honor."

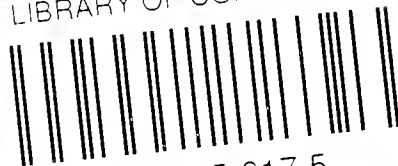
Here is the language of an honest and unsophisticated man, brought up among the farmers of the country, possessing all their feelings, and understanding their interests. And what more can be said? But our resources are greater than we are apt to believe. The entire quantity of lands sold, or patented to soldiers in our State, according to the latest returns, is, 14,897,571 acres. The lands patented, and purchased, at the present time, cannot be less than 15,000,000 of acres. This quantity at three cents an acre, or \$4 80 the quarter section, would produce an annual revenue of \$450,000. Now suppose we fall back upon the old system of taxation, and levy a tax only on the land, without including the improvements, except in towns for corporation purposes; so as to equalize the tax in some degree between improved and unimproved lands; could not such an amount, as soon as the times become better, be realized? This, I am aware, would operate heavily upon non-resident proprietors owning large quantities of unimproved land; but still their condition would be made better in the end, by restoring the credit of the State, in the enhanced price and saleability of their lands. This, instead of increasing, would in many instances reduce the taxes upon the farmer; and all this money might be made applicable to State purposes, the debt and interest included, when such a measure may be adopted with propriety, while the taxes on personal property might be applied in discharge of the county expenses. But I have neither time nor room to enter further into details, and must bring these desultory reflections to a close. Hoping that in the coming elections, as I cannot be with you, that you may have a fair field; and that your efforts may be crowned with the triumph of democratic principles, I subscribe myself your fellow-citizen,

RICHARD M. YOUNG.

To MESSRS. JAMES M. NEELY, SPENCER HOWARD, LEE HAMILTON, H. GILLMORE, and WILLIAM J. MILLER,

*Committee of a meeting of the Democratic citizens of
Morgan County, Illinois.*

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